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# Supplementary Financial Data

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# General Fund

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The General Fund is used to account for resources traditionally associated with governments which are not required legally or by sound financial management to be accounted for in another fund.

**B-1****CITY OF SALISBURY, NORTH CAROLINA****GENERAL FUND****COMPARATIVE BALANCE SHEETS****June 30, 1998 and 1997**

| <u>ASSETS</u>   | <u>1998</u>         | <u>1997</u>         |
|---|---------------------|---------------------|
| Cash and investments                                  | \$ 4,980,057        | \$ 4,635,168        |
| Taxes receivable (net of allowance for uncollectible) | 351,775             | 356,181             |
| Accounts receivable                                   | 412,869             | 419,251             |
| Interest receivable                                   | 18,248              | 49,167              |
| Due from other governments                            | 1,497,024           | 2,056,889           |
| Prepaid items   | <u>44,297</u>       | <u>167,926</u>      |
| Total assets  | <u>\$ 7,304,270</u> | <u>\$ 7,684,582</u> |
| <br><u>LIABILITIES AND FUND EQUITY</u>                |                     |                     |
| LIABILITIES   |                     |                     |
| Accounts payable and accrued liabilities              | \$ 1,382,477        | \$ 1,278,308        |
| Outstanding checks in excess of bank balance          | 257,317             | 245,887             |
| Deferred revenue                                      | <u>787,490</u>      | <u>400,624</u>      |
| Total liabilities                                     | <u>\$ 2,427,284</u> | <u>\$ 1,924,819</u> |
| FUND EQUITY   |                     |                     |
| Fund balances:  |                     |                     |
| Reserved by State statute                             | \$ 1,928,141        | \$ 2,525,307        |
| Reserved for encumbrances                             | 667,772             | 1,386,173           |
| Reserved for prepaid items                            | 44,297              | 167,926             |
| Unreserved:   |                     |                     |
| Designated for capital equipment replacement          | 1,277,944           | 619,170             |
| Designated for subsequent year expenditures           | -                   | 150,000             |
| Undesignated  | <u>958,832</u>      | <u>911,187</u>      |
| Total fund equity                                     | <u>\$ 4,876,986</u> | <u>\$ 5,759,763</u> |
| Total liabilities and fund equity                     | <u>\$ 7,304,270</u> | <u>\$ 7,684,582</u> |

## CITY OF SALISBURY, NORTH CAROLINA

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended June 30, 1998

With Comparative Actual Amounts for the Year Ended June 30, 1997

|   | 1998          |               | 1997                   |               |
|---|---------------|---------------|------------------------|---------------|
|   |               |               | Actual Over<br>(Under) |               |
|   | Actual        | Budget        | Budget                 | Actual        |
| REVENUES:                                   |               |               |                        |               |
| Taxes                                       | \$ 10,812,490 | \$ 10,432,846 | \$ 379,644             | \$ 10,039,452 |
| License and permits                         | 427,718       | 417,228       | 10,490                 | 433,327       |
| Intergovernmental                           | 4,516,122     | 5,363,994     | (847,872)              | 5,230,968     |
| Charges for services                        | 1,416,622     | 1,431,222     | (14,600)               | 1,211,586     |
| Miscellaneous                               | 818,057       | 1,849,348     | (1,031,291)            | 1,381,573     |
| Administrative charges                      | 1,207,500     | 1,207,500     | -                      | 1,150,000     |
| Total revenues                              | \$ 19,198,509 | \$ 20,702,138 | \$ (1,503,629)         | \$ 19,446,906 |
| OTHER FINANCING SOURCES:                    |               |               |                        |               |
| Capital lease                               | \$ -          | \$ -          | \$ -                   | \$ 1,750,000  |
| Fund balance appropriated                   | -             | 2,839,236     | (2,839,236)            | -             |
| Total other financing sources               | \$ -          | \$ 2,839,236  | \$ (2,839,236)         | \$ 1,750,000  |
| Total revenues and other financing sources  | \$ 19,198,509 | \$ 23,541,374 | \$ (4,342,865)         | \$ 21,196,906 |
| EXPENDITURES:                               |               |               |                        |               |
| Current:                                    |               |               |                        |               |
| General government                          | \$ 4,300,358  | \$ 5,102,448  | \$ (802,090)           | \$ 3,525,279  |
| Public safety                               | 6,900,177     | 8,044,937     | (1,144,760)            | 7,735,362     |
| Transportation                              | 3,047,455     | 4,088,361     | (1,040,906)            | 3,760,941     |
| Environmental protection                    | 1,331,161     | 1,475,764     | (144,603)              | 1,291,270     |
| Culture and recreation                      | 2,186,293     | 2,283,911     | (97,618)               | 1,990,428     |
| Community and economic development          | 1,526,471     | 1,745,800     | (219,329)              | 996,548       |
| Education                                   | 42,342        | 42,342        | -                      | 42,342        |
| Debt service:                               |               |               |                        |               |
| Principal                                   | 417,200       | 418,287       | (1,087)                | 867,964       |
| Interest                                    | 199,808       | 209,503       | (9,695)                | 113,889       |
| Total expenditures                          | \$ 19,951,265 | \$ 23,411,353 | \$ (3,460,088)         | \$ 20,324,023 |
| OTHER FINANCING Sources (USES):             |               |               |                        |               |
| Operating transfers to other funds:         |               |               | -                      |               |
| Mass transit                                | 130,021       | 130,021       | -                      | 128,671       |
| Total expenditures and other financing uses | \$ 20,081,286 | \$ 23,541,374 | \$ (3,460,088)         | \$ 20,452,694 |
| NET INCREASE (DECREASE) IN FUND BALANCE     | \$ (882,777)  | \$ -          | \$ (882,777)           | \$ 744,212    |
| FUND BALANCE, BEGINNING                     | 5,759,763     |               |                        | 5,015,551     |
| FUND BALANCE, ENDING                        | \$ 4,876,986  |               |                        | \$ 5,759,763  |

## CITY OF SALISBURY, NORTH CAROLINA

## GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -  
BUDGET AND ACTUAL

For the Year Ended June 30, 1998

|  |                      |                      | Actual Over<br>(Under) |
|--|----------------------|----------------------|------------------------|
| REVENUES:                                  | Actual               | Budget               | Budget                 |
| Taxes:                                     |                      |                      |                        |
| General property-current                   | \$ 7,634,382         | \$ 7,429,129         | \$ 205,253             |
| General property-prior                     | 281,691              | 218,000              | 63,691                 |
| Interest on delinquent tax                 | 48,006               | 40,000               | 8,006                  |
| Local option sales tax                     | 2,847,595            | 2,744,717            | 102,878                |
| Other tax                                  | 816                  | 1,000                | (184)                  |
|  | <u>\$ 10,812,490</u> | <u>\$ 10,432,846</u> | <u>\$ 379,644</u>      |
| Licenses and permits:                      |                      |                      |                        |
| Privilege license                          | \$ 264,460           | \$ 265,200           | \$ (740)               |
| Franchises                                 | 163,258              | 152,028              | 11,230                 |
|  | <u>\$ 427,718</u>    | <u>\$ 417,228</u>    | <u>\$ 10,490</u>       |
| Intergovernmental:                         |                      |                      |                        |
| Federal                                    | \$ 80,654            | \$ 148,771           | \$ (68,117)            |
| State                                      | 4,356,883            | 5,124,768            | (767,885)              |
| Local                                      | 78,585               | 90,455               | (11,870)               |
|  | <u>\$ 4,516,122</u>  | <u>\$ 5,363,994</u>  | <u>\$ (847,872)</u>    |
| Charges for services:                      |                      |                      |                        |
| Supportive court services                  | \$ 22,246            | \$ 27,270            | \$ (5,024)             |
| Community services                         | 156,823              | 207,452              | (50,629)               |
| Culture and recreation                     | 176,060              | 218,751              | (42,691)               |
| Environmental protection                   | 695,793              | 682,190              | 13,603                 |
| Public safety                              | 365,700              | 295,559              | 70,141                 |
|  | <u>\$ 1,416,622</u>  | <u>\$ 1,431,222</u>  | <u>\$ (14,600)</u>     |
| Miscellaneous:                             |                      |                      |                        |
| Interest earned on investments             | \$ 211,257           | \$ 348,100           | \$ (136,843)           |
| Insurance proceeds                         | 11,719               | 10,000               | 1,719                  |
| Rentals and sale of property               | 371,683              | 317,136              | 54,547                 |
| Other                                      | 223,398              | 1,174,112            | (950,714)              |
|  | <u>\$ 818,057</u>    | <u>\$ 1,849,348</u>  | <u>\$ (1,031,291)</u>  |
| Administrative charges:                    |                      |                      |                        |
| Interfund revenues                         | \$ 1,207,500         | \$ 1,207,500         | \$ -                   |
| Total revenues                             | <u>\$ 19,198,509</u> | <u>\$ 20,702,138</u> | <u>\$ (1,503,629)</u>  |
| OTHER FINANCING SOURCES:                   |                      |                      |                        |
| Fund balance appropriated                  | <u>\$ -</u>          | <u>\$ 2,839,236</u>  | <u>\$ (2,839,236)</u>  |
| Total revenues and other financing sources | <u>\$ 19,198,509</u> | <u>\$ 23,541,374</u> | <u>\$ (4,342,865)</u>  |

**B-4**  
**CITY OF SALISBURY, NORTH CAROLINA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 1998**

| EXPENDITURES:                               | <u>Actual</u>        | <u>Budget</u>        | <u>Actual Over<br/>(Under)<br/>Budget</u> |
|---|----------------------|----------------------|---|
| Current:                                    |                      |                      |   |
| General government:                         |                      |                      |   |
| City council                                | \$ 66,176            | \$ 66,857            | \$ (681)                                  |
| City manager's office                       | 585,633              | 588,265              | (2,632)                                   |
| Purchasing                                  | 147,525              | 159,426              | (11,901)                                  |
| Human resources                             | 267,586              | 297,826              | (30,240)                                  |
| Finance                                     | 634,704              | 653,533              | (18,829)                                  |
| Fleet management                            | 482,430              | 483,410              | (980)                                     |
| Public services administration              | 153,369              | 155,698              | (2,329)                                   |
| City office buildings                       | 977,626              | 1,684,311            | (706,685)                                 |
| Telecommunication                           | 272,699              | 274,728              | (2,029)                                   |
| Information technologies                    | <u>712,610</u>       | <u>738,394</u>       | <u>(25,784)</u>                           |
|   | \$ 4,300,358         | \$ 5,102,448         | \$ (802,090)                              |
| Public safety:                              |                      |                      |   |
| Police:                                     |                      |                      |   |
| Administration                              | \$ 258,490           | \$ 259,797           | \$ (1,307)                                |
| Services                                    | 1,314,583            | 1,318,858            | (4,275)                                   |
| Operations                                  | 2,771,301            | 3,212,305            | (441,004)                                 |
| Fire  | <u>2,555,803</u>     | <u>3,253,977</u>     | <u>(698,174)</u>                          |
|   | \$ 6,900,177         | \$ 8,044,937         | \$ (1,144,760)                            |
| Transportation:                             |                      |                      |   |
| Traffic engineering                         | \$ 387,304           | \$ 389,867           | \$ (2,563)                                |
| Engineering                                 | 1,014,095            | 1,642,434            | (628,339)                                 |
| Streets                                     | 1,388,824            | 1,742,740            | (353,916)                                 |
| Street lighting                             | <u>257,232</u>       | <u>313,320</u>       | <u>(56,088)</u>                           |
|   | \$ 3,047,455         | \$ 4,088,361         | \$ (1,040,906)                            |
| Environmental protection:                   |                      |                      |   |
| Solid waste management                      | \$ 1,121,621         | \$ 1,265,484         | \$ (143,863)                              |
| Cemetery                                    | <u>209,540</u>       | <u>210,280</u>       | <u>(740)</u>                              |
|   | \$ 1,331,161         | \$ 1,475,764         | \$ (144,603)                              |
| Culture and recreation:                     |                      |                      |   |
| Landscaping                                 | \$ 585,869           | \$ 590,313           | \$ (4,444)                                |
| Recreation                                  | <u>1,600,424</u>     | <u>1,693,598</u>     | <u>(93,174)</u>                           |
|   | \$ 2,186,293         | \$ 2,283,911         | \$ (97,618)                               |
| Community and economic development:         |                      |                      |   |
| Community development                       | \$ 1,087,299         | \$ 1,233,530         | \$ (146,231)                              |
| The Plaza                                   | 157,718              | 186,612              | (28,894)                                  |
| Developmental services                      | <u>281,454</u>       | <u>325,658</u>       | <u>(44,204)</u>                           |
|   | \$ 1,526,471         | \$ 1,745,800         | \$ (219,329)                              |
| Education                                   | <u>\$ 42,342</u>     | <u>\$ 42,342</u>     | <u>\$ -</u>                               |
| Debt service:                               |                      |                      |   |
| Principal                                   | \$ 417,200           | \$ 418,287           | \$ (1,087)                                |
| Interest                                    | <u>199,808</u>       | <u>209,503</u>       | <u>(9,695)</u>                            |
|   | \$ 617,008           | \$ 627,790           | \$ (10,782)                               |
| Total expenditures                          | \$ 19,951,265        | \$ 23,411,353        | \$ (3,460,088)                            |
| OTHER FINANCING USES:                       |                      |                      |   |
| Operating transfers to other funds:         |                      |                      |   |
| Mass transit                                | <u>130,021</u>       | <u>130,021</u>       | <u>-</u>                                  |
| Total expenditures and other financing uses | <u>\$ 20,081,286</u> | <u>\$ 23,541,374</u> | <u>\$ (3,460,088)</u>                     |

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## Special Revenue Funds

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Special revenue funds are used to account for the proceeds of specific revenues that are legally restricted to expenditures for particular purposes. The City has one special revenue fund.

**Community Development Fund** - to account for the operations of the City's community development programs. Financing is provided by the U.S. Department of Housing and Urban Development.

## CITY OF SALISBURY, NORTH CAROLINA

SPECIAL REVENUE FUND - COMMUNITY DEVELOPMENT  
COMPARATIVE BALANCE SHEETS

June 30, 1998 and 1997

| <u>ASSETS</u>                                 | <u>1998</u>       | <u>1997</u>       |
|---|-------------------|-------------------|
| Cash and investments                          | \$ 186,655        | \$ 214,354        |
| Accounts receivable                           | 1,235             | 548               |
| Due from other governments                    | <u>67,223</u>     | <u>-</u>          |
| Total assets                                  | <u>\$ 255,113</u> | <u>\$ 214,902</u> |
| <u>LIABILITIES AND FUND EQUITY</u>            |                   |                   |
| LIABILITIES                                   |                   |                   |
| Accounts payable and accrued liabilities      | \$ <u>70,428</u>  | \$ <u>24,266</u>  |
| Total liabilities                             | <u>\$ 70,428</u>  | <u>\$ 24,266</u>  |
| FUND EQUITY                                   |                   |                   |
| Fund balances:                                |                   |                   |
| Reserved by State statute                     | \$ 68,458         | \$ 548            |
| Unreserved:                                   |                   |                   |
| Designated for subsequent year's expenditures | <u>116,227</u>    | <u>190,088</u>    |
| Total fund equity                             | <u>\$ 184,685</u> | <u>\$ 190,636</u> |
| Total liabilities and fund equity             | <u>\$ 255,113</u> | <u>\$ 214,902</u> |

## CITY OF SALISBURY, NORTH CAROLINA

## SPECIAL REVENUE FUND - COMMUNITY DEVELOPMENT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

For the Year Ended June 30, 1998  
With Comparative Actual Amounts for the Year Ended June 30, 1997

|   | 1998              |                     |                                  | 1997              |
|---|-------------------|---------------------|----------------------------------|-------------------|
|   |                   |                     | Actual Over<br>(Under)<br>Budget |                   |
|   | Actual            | Budget              | Budget                           | Actual            |
| REVENUES:                               |                   |                     |                                  |                   |
| Intergovernmental:                      |                   |                     |                                  |                   |
| Federal                                 | \$ 505,976        | \$ 851,108          | \$ (345,132)                     | \$ 366,672        |
| Miscellaneous:                          |                   |                     |                                  |                   |
| Interest earned on investments          | 1,948             | -                   | 1,948                            | 1,780             |
| Other                                   | <u>282,134</u>    | <u>239,640</u>      | <u>42,494</u>                    | <u>176,122</u>    |
| Total revenues                          | <u>\$ 790,058</u> | <u>\$ 1,090,748</u> | <u>\$ (300,690)</u>              | <u>\$ 544,574</u> |
| EXPENDITURES:                           |                   |                     |                                  |                   |
| Current:                                |                   |                     |                                  |                   |
| General government                      | \$ 103,259        | \$ 97,570           | \$ 5,689                         | \$ 84,905         |
| Community and economic development      | <u>692,750</u>    | <u>993,178</u>      | <u>(300,428)</u>                 | <u>355,317</u>    |
| Total expenditures                      | <u>\$ 796,009</u> | <u>\$ 1,090,748</u> | <u>\$ (294,739)</u>              | <u>\$ 440,222</u> |
| NET INCREASE (DECREASE) IN FUND BALANCE | \$ (5,951)        | <u>\$ -</u>         | <u>\$ (5,951)</u>                | \$ 104,352        |
| FUND BALANCE, BEGINNING                 | <u>190,636</u>    |                     |                                  | <u>86,284</u>     |
| FUND BALANCE, ENDING                    | <u>\$ 184,685</u> |                     |                                  | <u>\$ 190,636</u> |

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# Capital Projects Fund

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The Capital Projects Fund is used to account for the acquisition or construction of capital projects, other than those financed by enterprise funds, internal service funds, or trust funds.

**D-1**

**CITY OF SALISBURY, NORTH CAROLINA**

**CAPITAL PROJECTS FUND**

**COMPARATIVE BALANCE SHEETS**

**June 30, 1998 and 1997**

| <u>ASSETS</u>                                 | <u>1998</u>         | <u>1997</u>       |
|---|---------------------|-------------------|
| Cash and investments                          | \$ 1,677,363        | \$ 351,279        |
| Total assets                                  | <u>\$ 1,677,363</u> | <u>\$ 351,279</u> |
| <u>LIABILITIES AND FUND EQUITY</u>            |                     |                   |
| FUND EQUITY                                   |                     |                   |
| Fund Balances:                                |                     |                   |
| Unreserved:                                   |                     |                   |
| Designated for subsequent year's expenditures | \$ 1,677,363        | \$ 351,279        |
| Total fund equity                             | <u>\$ 1,677,363</u> | <u>\$ 351,279</u> |
| Total liabilities and fund equity             | <u>\$ 1,677,363</u> | <u>\$ 351,279</u> |

## CITY OF SALISBURY, NORTH CAROLINA

## CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

From inception and For the Year Ended June 30, 1998

|  | Project<br>Authorization | Actual       |                |                |
|--|--------------------------|--------------|----------------|----------------|
|  |                          | Prior Years  | Current Year   | Total to Date  |
| REVENUES:                                |                          |              |                |                |
| Miscellaneous                            |                          |              |                |                |
| Interest earned on investments           | \$ 71,675                | \$ 99,759    | \$ 71,160      | \$ 170,919     |
| EXPENDITURES:                            |                          |              |                |                |
| Culture and recreation                   | \$ 3,556,278             | \$ 335,531   | \$ 1,745,076   | \$ 2,080,607   |
| Transportation                           | 493,397                  | 390,949      | -              | 390,949        |
| Total expenditures                       | \$ 4,049,675             | \$ 726,480   | \$ 1,745,076   | \$ 2,471,556   |
| Total revenues over (under) expenditures | \$ (3,978,000)           | \$ (626,721) | \$ (1,673,916) | \$ (2,300,637) |
| OTHER FUNDING SOURCES                    |                          |              |                |                |
| Proceeds from sale of bonds              | 3,978,000                | 978,000      | 3,000,000      | 3,978,000      |
| NET INCREASE (DECREASE) IN FUND BALANCE  | \$ -                     | \$ 351,279   | \$ 1,326,084   | \$ 1,677,363   |
| FUND BALANCE, BEGINNING                  |                          |              | 351,279        |                |
| FUND BALANCE, ENDING                     |                          |              | \$ 1,677,363   |                |

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# Enterprise Funds

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Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Water and Sewer Fund** - to account for the provision of water and sewer services to the residents of the City and immediate area around the City.

**Mass Transit Fund** - to account for the provision of public bus services to the residents of the City.

All activities necessary to provide such services are accounted for in these funds, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

## CITY OF SALISBURY, NORTH CAROLINA

## ENTERPRISE FUNDS

## COMBINING BALANCE SHEET

June 30, 1998

With Comparative Totals at June 30, 1997

| ASSETS  |                      |                   | Totals               |                      |
|---|----------------------|-------------------|----------------------|----------------------|
|   | Water<br>and Sewer   | Mass Transit      | 1998                 | 1997                 |
| CURRENT ASSETS  |                      |                   |                      |                      |
| Cash and investments  | \$ 17,474,940        | \$ 11,247         | \$ 17,486,187        | \$ 14,796,533        |
| Accounts receivable (net of allowance<br>for uncollectible) | 1,985,696            | 2,128             | 1,987,824            | 1,941,215            |
| Interest receivable   | 41,461               | 53                | 41,514               | 115,594              |
| Due from other governments                                  | -                    | 142,586           | 142,586              | 452,207              |
| Inventories   | 182,316              | 68,449            | 250,765              | 306,721              |
| Prepaid items   | 8,158                | 556               | 8,714                | -                    |
| Total current assets  | <u>\$ 19,692,571</u> | <u>\$ 225,019</u> | <u>\$ 19,917,590</u> | <u>\$ 17,612,270</u> |
| FIXED ASSETS  |                      |                   |                      |                      |
| Land  | \$ 2,074,567         | \$ -              | \$ 2,074,567         | \$ 1,596,768         |
| Buildings and improvements                                  | 70,596,835           | 481,794           | 71,078,629           | 54,069,161           |
| Equipment   | 5,402,283            | 897,404           | 6,299,687            | 5,887,684            |
| Construction in progress                                    | 17,434,861           | -                 | 17,434,861           | 13,251,971           |
| Less accumulated depreciation                               | (25,442,452)         | (1,277,802)       | (26,720,254)         | (24,958,091)         |
| Total fixed assets  | <u>\$ 70,066,094</u> | <u>\$ 101,396</u> | <u>\$ 70,167,490</u> | <u>\$ 49,847,493</u> |
| Total assets  | <u>\$ 89,758,665</u> | <u>\$ 326,415</u> | <u>\$ 90,085,080</u> | <u>\$ 67,459,763</u> |
| LIABILITIES AND FUND EQUITY                                 |                      |                   |                      |                      |
| CURRENT LIABILITIES   |                      |                   |                      |                      |
| Accounts payable and accrued liabilities                    | \$ 2,620,715         | \$ 39,133         | \$ 2,659,848         | \$ 2,024,819         |
| Interest payable  | 234,290              | -                 | 234,290              | 188,702              |
| Current maturities of long-term debt                        | 1,841,305            | -                 | 1,841,305            | 1,045,000            |
| Customer deposits   | 163,553              | -                 | 163,553              | 131,631              |
| Total current liabilities                                   | <u>\$ 4,859,863</u>  | <u>\$ 39,133</u>  | <u>\$ 4,898,996</u>  | <u>\$ 3,390,152</u>  |
| LONG-TERM DEBT  |                      |                   |                      |                      |
| Bonds payable   | \$ 26,810,108        | \$ -              | \$ 26,810,108        | \$ 18,101,205        |
| Capital leases payable                                      | 3,207,588            | -                 | 3,207,588            | -                    |
| Total long term-debt  | <u>\$ 30,017,696</u> | <u>\$ -</u>       | <u>\$ 30,017,696</u> | <u>\$ 18,101,205</u> |
| FUND EQUITY   |                      |                   |                      |                      |
| Contributed capital   | \$ 29,783,866        | \$ 1,472,422      | \$ 31,256,288        | \$ 23,517,999        |
| Retained earnings (deficit)                                 | 25,097,240           | (1,185,140)       | 23,912,100           | 22,450,407           |
| Total fund equity   | <u>\$ 54,881,106</u> | <u>\$ 287,282</u> | <u>\$ 55,168,388</u> | <u>\$ 45,968,406</u> |
| Total liabilities and fund equity                           | <u>\$ 89,758,665</u> | <u>\$ 326,415</u> | <u>\$ 90,085,080</u> | <u>\$ 67,459,763</u> |

## CITY OF SALISBURY, NORTH CAROLINA

## ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGSFor the Year Ended June 30, 1998  
With Comparative Totals For The Year Ended June 30, 1997

|  |                            |                       | <u>Totals</u>        |                      |
|--|----------------------------|-----------------------|----------------------|----------------------|
|  | <u>Water<br/>and Sewer</u> | <u>Mass Transit</u>   | <u>1998</u>          | <u>1997</u>          |
| OPERATING REVENUES:                      |                            |                       |                      |                      |
| Charges for services                     | \$ 11,429,925              | \$ 73,038             | \$ 11,502,963        | \$ 11,079,767        |
| OPERATING EXPENSES:                      |                            |                       |                      |                      |
| Management and administration            | \$ 2,050,464               | \$ 101,506            | \$ 2,151,970         | \$ 2,229,710         |
| Water resources                          | 3,722,927                  | -                     | 3,722,927            | 3,249,918            |
| Maintenance and distribution             | 2,114,713                  | -                     | 2,114,713            | 1,812,234            |
| Depreciation                             | 1,785,568                  | 54,119                | 1,839,687            | 1,904,135            |
| Mass transit operations                  | <u>-</u>                   | <u>321,162</u>        | <u>321,162</u>       | <u>322,470</u>       |
| Total operating expenses                 | \$ 9,673,672               | \$ 476,787            | \$ 10,150,459        | \$ 9,518,467         |
| OPERATING INCOME (LOSS)                  | \$ 1,756,253               | \$ (403,749)          | \$ 1,352,504         | \$ 1,561,300         |
| NONOPERATING REVENUES (EXPENSES):        |                            |                       |                      |                      |
| Interest earned on investments           | \$ 755,126                 | \$ -                  | \$ 755,126           | \$ 856,387           |
| Intergovernmental                        | -                          | 182,527               | 182,527              | 211,613              |
| Miscellaneous revenues                   | 385,370                    | 16,510                | 401,880              | 189,791              |
| Interest expense                         | <u>(1,360,365)</u>         | <u>-</u>              | <u>(1,360,365)</u>   | <u>(1,002,294)</u>   |
| Net nonoperating revenues (expenses)     | \$ (219,869)               | \$ 199,037            | \$ (20,832)          | \$ 255,497           |
| INCOME (LOSS) BEFORE OPERATING TRANSFERS | \$ 1,536,384               | \$ (204,712)          | \$ 1,331,672         | \$ 1,816,797         |
| OPERATING TRANSFERS IN:                  |                            |                       |                      |                      |
| General Fund                             | <u>-</u>                   | <u>130,021</u>        | <u>130,021</u>       | <u>128,671</u>       |
| NET INCOME (LOSS)                        | \$ 1,536,384               | \$ (74,691)           | \$ 1,461,693         | \$ 1,945,468         |
| RETAINED EARNINGS (DEFICIT), BEGINNING   | <u>23,560,856</u>          | <u>(1,110,449)</u>    | <u>22,450,407</u>    | <u>20,504,939</u>    |
| RETAINED EARNINGS (DEFICIT), ENDING      | <u>\$ 25,097,240</u>       | <u>\$ (1,185,140)</u> | <u>\$ 23,912,100</u> | <u>\$ 22,450,407</u> |

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## CITY OF SALISBURY, NORTH CAROLINA

## ENTERPRISE FUNDS

## COMBINING STATEMENT OF CASH FLOWS

For the Year Ended June 30, 1998

With Comparative Totals for the Year Ended June 30, 1997

|  | Totals                |                     |                       |                       |
|--|-----------------------|---------------------|-----------------------|-----------------------|
|  | Water<br>and Sewer    | Mass Transit        | 1998                  | 1997                  |
| CASH FLOWS FROM OPERATING ACTIVITIES   |                       |                     |                       |                       |
| Operating income (loss)  | \$ 1,756,253          | \$ (403,749)        | \$ 1,352,504          | \$ 1,561,300          |
| Adjustments to reconcile operating income (loss) to<br>net cash provided by (used for) operating activities: |                       |                     |                       |                       |
| Depreciation   | 1,785,568             | 54,119              | 1,839,687             | 1,904,135             |
| Loss on sale of fixed assets   | -                     | -                   | -                     | 10,187                |
| Other receipts   | 201,516               | 16,510              | 218,026               | 189,791               |
| Change in assets and liabilities:  |                       |                     |                       |                       |
| (Increase) decrease in accounts and<br>interest receivable   | 23,141                | 4,330               | 27,471                | (522,503)             |
| (Increase) decrease in inventory   | 52,920                | 3,036               | 55,956                | 3,662                 |
| (Increase) decrease in prepaid items   | -                     | -                   | -                     | -                     |
| (Increase) decrease due from<br>other governments  | 407,890               | (98,269)            | 309,621               | (353,210)             |
| (Increase) decrease in prepaid items   | (8,158)               | (556)               | (8,714)               | -                     |
| Increase (decrease) in accounts and interest<br>payable and accrued liabilities                              | 679,311               | 1,306               | 680,617               | 999,089               |
| Increase (decrease) in customer deposits   | 31,922                | -                   | 31,922                | 19,053                |
| Net cash provided by (used for)<br>operating activities  | <u>\$ 4,930,363</u>   | <u>\$ (423,273)</u> | <u>\$ 4,507,090</u>   | <u>\$ 3,811,504</u>   |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES  |                       |                     |                       |                       |
| Operating grants received  | \$ -                  | \$ 182,527          | \$ 182,527            | \$ 211,613            |
| Operating transfer from general fund   | -                     | 130,021             | 130,021               | 128,671               |
| Net cash provided by noncapital<br>financing activities  | <u>\$ -</u>           | <u>\$ 312,548</u>   | <u>\$ 312,548</u>     | <u>\$ 340,284</u>     |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES   |                       |                     |                       |                       |
| Proceeds from issuing general obligation bonds   | \$ 10,623,915         | \$ -                | \$ 10,623,915         | \$ 816,205            |
| Proceeds from sale of fixed assets   | -                     | -                   | -                     | 3,450                 |
| Capital grants received  | -                     | 9,264               | 9,264                 | 100,998               |
| Interest paid on general obligation bonds  | (1,360,368)           | -                   | (1,360,368)           | (1,015,738)           |
| Acquisition of capital assets  | (13,536,711)          | (12,355)            | (13,549,066)          | (10,851,389)          |
| Principal paid on general obligation bonds   | (1,515,305)           | -                   | (1,515,305)           | (1,045,000)           |
| Capital contributed by developers  | 2,906,450             | -                   | 2,906,450             | 2,283,370             |
| Net cash provided by (used for) capital<br>and related financing activities                                  | <u>\$ (2,882,019)</u> | <u>\$ (3,091)</u>   | <u>\$ (2,885,110)</u> | <u>\$ (9,708,104)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES   |                       |                     |                       |                       |
| Interest received on investment securities   | <u>\$ 755,126</u>     | <u>\$ -</u>         | <u>\$ 755,126</u>     | <u>\$ 856,387</u>     |
| NET INCREASE (DECREASE) IN CASH<br>AND CASH EQUIVALENTS  |                       |                     |                       |                       |
|  | \$ 2,803,470          | \$ (113,816)        | \$ 2,689,654          | \$ (4,699,929)        |
| CASH AND CASH EQUIVALENTS, BEGINNING   | <u>14,671,470</u>     | <u>125,063</u>      | <u>14,796,533</u>     | <u>19,496,462</u>     |
| CASH AND CASH EQUIVALENTS, ENDING  | <u>\$ 17,474,940</u>  | <u>\$ 11,247</u>    | <u>\$ 17,486,187</u>  | <u>\$ 14,796,533</u>  |

## NONCASH CAPITAL AND FINANCING ACTIVITIES

As discussed in the notes to the financial statements, on July 1, 1997, the City took over the operations of two local municipalities; which resulted in a noncash acquisition of fixed assets in the amount of \$8,615,618, capital leases totaling \$3,604,187, contributed capital from the municipalities of \$4,827,576, and other liabilities of \$183,855.

## CITY OF SALISBURY, NORTH CAROLINA

## WATER AND SEWER FUND

## COMPARATIVE BALANCE SHEETS

June 30, 1998 and 1997

| <u>ASSETS</u>  | <u>1998</u>                 | <u>1997</u>                 |
|--|-----------------------------|-----------------------------|
| CURRENT ASSETS   |                             |                             |
| Cash and investments                                     | \$ 17,474,940               | \$ 14,671,470               |
| Accounts receivable (net of allowance for uncollectible) | 1,985,696                   | 1,935,329                   |
| Interest receivable                                      | 41,461                      | 114,969                     |
| Due from other governments                               | -                           | 407,890                     |
| Inventories  | 182,316                     | 235,236                     |
| Prepaid items  | 8,158                       | -                           |
| Total current assets                                     | <u>\$ 19,692,571</u>        | <u>\$ 17,364,894</u>        |
| FIXED ASSETS   |                             |                             |
| Land   | \$ 2,074,567                | \$ 1,596,768                |
| Buildings and improvements                               | 70,596,835                  | 53,587,367                  |
| Equipment  | 5,402,283                   | 5,002,635                   |
| Construction in progress                                 | 17,434,861                  | 13,251,971                  |
| Less accumulated depreciation                            | <u>(25,442,452)</u>         | <u>(23,734,408)</u>         |
| Total fixed assets                                       | <u>\$ 70,066,094</u>        | <u>\$ 49,704,333</u>        |
| Total assets   | <u><u>\$ 89,758,665</u></u> | <u><u>\$ 67,069,227</u></u> |
| <u>LIABILITIES AND FUND EQUITY</u>                       |                             |                             |
| CURRENT LIABILITIES                                      |                             |                             |
| Accounts payable and accrued liabilities                 | \$ 2,620,715                | \$ 1,986,992                |
| Interest payable   | 234,290                     | 188,702                     |
| Current maturities of long-term debt                     | 1,841,305                   | 1,045,000                   |
| Customer deposits  | 163,553                     | 131,631                     |
| Total current liabilities                                | <u>\$ 4,859,863</u>         | <u>\$ 3,352,325</u>         |
| LONG-TERM DEBT   |                             |                             |
| Bonds payable  | \$ 26,810,108               | \$ 18,101,205               |
| Capital leases payable                                   | 3,207,588                   | -                           |
| Total long-term debt                                     | <u>\$ 30,017,696</u>        | <u>\$ 18,101,205</u>        |
| FUND EQUITY  |                             |                             |
| Contributed capital                                      | \$ 29,783,866               | \$ 22,054,841               |
| Retained earnings  | 25,097,240                  | 23,560,856                  |
| Total fund equity  | <u>\$ 54,881,106</u>        | <u>\$ 45,615,697</u>        |
| Total liabilities and fund equity                        | <u><u>\$ 89,758,665</u></u> | <u><u>\$ 67,069,227</u></u> |

## CITY OF SALISBURY, NORTH CAROLINA

## WATER AND SEWER FUND

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL  
(NON-GAAP, MODIFIED ACCRUAL BASIS)

For the Year Ended June 30, 1998

With Comparative Actual Amounts for Year Ended June 30, 1997

|   | 1998            |                 |                                  | 1997            |
|---|-----------------|-----------------|----------------------------------|-----------------|
|   | Actual          | Budget          | Actual<br>Over (Under)<br>Budget | Actual          |
| OPERATING REVENUES:   |                 |                 |                                  |                 |
| Charges for services  | \$ 11,429,925   | \$ 11,934,914   | \$ (504,989)                     | \$ 10,999,379   |
| OPERATING EXPENSES OTHER THAN DEPRECIATION:                 |                 |                 |                                  |                 |
| Management and administration                               | \$ 2,046,673    | \$ 2,335,622    | \$ (288,949)                     | \$ 2,101,244    |
| Water resources   | 3,694,992       | 3,825,424       | (130,432)                        | 3,263,832       |
| Maintenance and distribution                                | 2,089,728       | 3,032,616       | (942,888)                        | 1,794,564       |
| Total operating expenses other than depreciation            | \$ 7,831,393    | \$ 9,193,662    | \$ (1,362,269)                   | \$ 7,159,640    |
| NONOPERATING REVENUES (EXPENSES):                           |                 |                 |                                  |                 |
| Interest on investments                                     | \$ 755,126      | \$ 350,000      | \$ 405,126                       | \$ 856,387      |
| Miscellaneous revenues                                      | 385,370         | 187,000         | 198,370                          | 177,891         |
| Interest expense  | (1,314,777)     | (1,599,875)     | 285,098                          | (1,015,738)     |
| Net nonoperating revenues                                   | \$ (174,281)    | \$ (1,062,875)  | \$ 888,594                       | \$ 18,540       |
| Income (loss) from operations                               | \$ 3,424,251    | \$ 1,678,377    | \$ 1,745,874                     | \$ 3,858,279    |
| OTHER FINANCING SOURCES (USES):                             |                 |                 |                                  |                 |
| Capital outlay  | \$ (22,069,804) | \$ (28,151,216) | \$ 6,081,412                     | \$ (10,702,403) |
| Contributed capital   | 7,729,025       | 9,218,564       | (1,489,539)                      | 2,283,370       |
| Payment of debt principal                                   | (1,515,305)     | (1,515,305)     | -                                | (1,045,000)     |
| Proceeds from sale of bonds                                 | 10,623,915      | 12,985,474      | (2,361,559)                      | 816,205         |
| Proceeds from capital leases                                | 3,604,186       | 3,600,000       | 4,186                            | -               |
| Retained earnings appropriated                              | -               | 2,184,106       | (2,184,106)                      | -               |
| Total other financing sources (uses)                        | \$ (1,627,983)  | \$ (1,678,377)  | \$ 50,394                        | \$ (8,647,828)  |
| EXCESS OF REVENUES OVER EXPENSES                            | \$ 1,796,268    | \$ -            | \$ 1,796,268                     | \$ (4,789,549)  |
| RECONCILIATION OF MODIFIED ACCRUAL BASIS WITH FULL ACCRUAL: |                 |                 |                                  |                 |
| Excess of revenues over expenses                            | \$ 1,796,268    |                 |                                  |                 |
| Capital outlay  | 22,069,804      |                 |                                  |                 |
| Depreciation  | (1,785,568)     |                 |                                  |                 |
| Payment of debt principal                                   | 1,515,305       |                 |                                  |                 |
| Proceeds from sale of bonds                                 | (10,623,915)    |                 |                                  |                 |
| Proceeds from capital leases                                | (3,604,186)     |                 |                                  |                 |
| Interest expense  | (45,588)        |                 |                                  |                 |
| Inventories   | (52,920)        |                 |                                  |                 |
| Vacation pay  | (3,791)         |                 |                                  |                 |
| Contributed capital   | (7,729,025)     |                 |                                  |                 |
| NET INCOME  | \$ 1,536,384    |                 |                                  |                 |

## CITY OF SALISBURY, NORTH CAROLINA

## WATER AND SEWER FUND

## COMPARATIVE STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 1998 and 1997

|  | <u>1998</u>                 | <u>1997</u>                 |
|--|-----------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                             |                             |
| Operating income (loss)  | \$ 1,756,253                | \$ 1,994,644                |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: |                             |                             |
| Depreciation   | 1,785,568                   | 1,816,927                   |
| Loss on sale of fixed assets   | -                           | 10,187                      |
| Other receipts   | 201,516                     | 177,891                     |
| Change in assets and liabilities:  |                             |                             |
| (Increase) decrease in accounts and interest receivable  | 23,141                      | (518,097)                   |
| (Increase) decrease in inventory   | 52,920                      | 3,756                       |
| (Increase) decrease in due from other governments  | 407,890                     | (350,804)                   |
| (Increase) decrease in prepaid items   | (8,158)                     | -                           |
| Increase (decrease) in accounts and interest payable and accrued liabilities                   | 679,311                     | 992,775                     |
| Increase (decrease) in customer deposits   | <u>31,922</u>               | <u>19,053</u>               |
| Net cash provided by operating activities  | <u>\$ 4,930,363</u>         | <u>\$ 4,146,332</u>         |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                                |                             |                             |
| Proceeds from issuing general obligation bonds   | \$ 10,623,915               | \$ 816,205                  |
| Proceeds from sale of fixed assets   | -                           | 3,450                       |
| Interest paid on long-term debt  | (1,360,368)                 | (1,015,738)                 |
| Acquisition of capital assets  | (13,536,711)                | (10,702,403)                |
| Principal paid on long-term debt   | (1,515,305)                 | (1,045,000)                 |
| Capital contributed by developers  | <u>2,906,450</u>            | <u>2,283,370</u>            |
| Net cash (used for) capital and related financing activities                                   | <u>\$ (2,882,019)</u>       | <u>\$ (9,660,116)</u>       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                             |                             |
| Interest received on investment securities   | <u>\$ 755,126</u>           | <u>\$ 856,387</u>           |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                                    | <u>\$ 2,803,470</u>         | <u>\$ (4,657,397)</u>       |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING</b>  | <u>14,671,470</u>           | <u>19,328,867</u>           |
| <b>CASH AND CASH EQUIVALENTS, ENDING</b>   | <u><u>\$ 17,474,940</u></u> | <u><u>\$ 14,671,470</u></u> |

## NONCASH CAPITAL AND FINANCING ACTIVITIES

As discussed in the notes to the financial statements, on July 1, 1997, the City took over the operations of two local municipalities; which resulted in a noncash acquisition of fixed assets in the amount of \$8,615,618, capital leases totaling \$3,604,187, contributed capital from the municipalities of \$4,827,576, and other liabilities of \$183,855.

**CITY OF SALISBURY, NORTH CAROLINA**  
**WATER AND SEWER CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES AND EXPENSES -**  
**BUDGET AND ACTUAL (NON-GAAP)**

**For the Year Ended June 30, 1998**

|   |                          | Actual          |                |                 |
|---|--------------------------|-----------------|----------------|-----------------|
|   | Project<br>Authorization | Prior Years     | Current Year   | Total to Date   |
| REVENUES                                      |                          |                 |                |                 |
| Miscellaneous                                 |                          |                 |                |                 |
| Interest on investments                       | \$ 200,000               | \$ 200,000      | \$ 428,852     | \$ 628,852      |
| EXPENSES-SEWER PROJECT                        |                          |                 |                |                 |
| Construction                                  | \$ 18,385,704            | \$ 8,318,541    | \$ 6,720,149   | \$ 15,038,690   |
| Engineering                                   | 2,327,534                | 2,261,651       | 638,083        | 2,899,734       |
|   |                          |                 |                |                 |
| Total expenses-Sewer project                  | \$ 20,713,238            | \$ 10,580,192   | \$ 7,358,232   | \$ 17,938,424   |
| EXPENSES-WATER PROJECT                        |                          |                 |                |                 |
| Construction                                  | \$ 8,834,564             | \$ 3,890,313    | \$ 633,130     | \$ 4,523,443    |
| Engineering                                   | 974,659                  | 547,782         | 288,023        | 835,805         |
|   |                          |                 |                |                 |
| Total expenses-Water project                  | \$ 9,809,223             | \$ 4,438,095    | \$ 921,153     | \$ 5,359,248    |
|   |                          |                 |                |                 |
| Total expenses                                | \$ 30,522,461            | \$ 15,018,287   | \$ 8,279,385   | \$ 23,297,672   |
|   |                          |                 |                |                 |
| Total revenues (under) expenses               | \$ (30,322,461)          | \$ (14,818,287) | \$ (7,850,533) | \$ (22,668,820) |
| OTHER FINANCING SOURCES                       |                          |                 |                |                 |
| Proceeds from sale of bonds                   | \$ 24,831,589            | \$ 12,637,615   | \$ 6,532,031   | \$ 19,169,646   |
| Developer contributions                       | 4,192,180                | 1,850,849       | 1,052,001      | 2,902,850       |
| Operating transfers from water and sewer fund | 1,201,692                | 303,000         | 898,692        | 1,201,692       |
| Appropriated fund balance                     | 97,000                   | 97,000          | -              | 97,000          |
|   |                          |                 |                |                 |
| Total other financing sources                 | \$ 30,322,461            | \$ 14,888,464   | \$ 8,482,724   | \$ 23,371,188   |
|   |                          |                 |                |                 |
| Unexpended revenues and receipts              | \$ -                     | \$ 70,177       | \$ 632,191     | \$ 702,368      |

## CITY OF SALISBURY, NORTH CAROLINA

## MASS TRANSIT FUND

## COMPARATIVE BALANCE SHEETS

June 30, 1998 and 1997

| <u>ASSETS</u>  | <u>1998</u>              | <u>1997</u>              |
|--|--------------------------|--------------------------|
| <b>CURRENT ASSETS</b>                                    |                          |                          |
| Cash and investments                                     | \$ 11,247                | \$ 125,063               |
| Accounts receivable (net of allowance for uncollectable) | 2,128                    | 5,886                    |
| Interest receivable                                      | 53                       | 625                      |
| Due from other governments                               | 142,586                  | 44,317                   |
| Inventories  | 68,449                   | 71,485                   |
| Prepaid items  | 556                      | -                        |
| Total current assets                                     | <u>\$ 225,019</u>        | <u>\$ 247,376</u>        |
| <b>FIXED ASSETS</b>                                      |                          |                          |
| Buildings and improvements                               | \$ 481,794               | \$ 481,794               |
| Equipment  | 897,404                  | 885,049                  |
| Less accumulated depreciation                            | <u>(1,277,802)</u>       | <u>(1,223,683)</u>       |
| Total fixed assets                                       | <u>\$ 101,396</u>        | <u>\$ 143,160</u>        |
| Total assets   | <u><u>\$ 326,415</u></u> | <u><u>\$ 390,536</u></u> |
| <b><u>LIABILITIES AND FUND EQUITY</u></b>                |                          |                          |
| <b>CURRENT LIABILITIES</b>                               |                          |                          |
| Accounts payable and accrued liabilities                 | <u>\$ 39,133</u>         | <u>\$ 37,827</u>         |
| Total current liabilities                                | <u>\$ 39,133</u>         | <u>\$ 37,827</u>         |
| <b>FUND EQUITY</b>                                       |                          |                          |
| Contributed capital                                      | \$ 1,472,422             | \$ 1,463,158             |
| Retained earnings (deficit)                              | <u>(1,185,140)</u>       | <u>(1,110,449)</u>       |
| Total fund equity  | <u>\$ 287,282</u>        | <u>\$ 352,709</u>        |
| Total liabilities and fund equity                        | <u><u>\$ 326,415</u></u> | <u><u>\$ 390,536</u></u> |

## CITY OF SALISBURY, NORTH CAROLINA

## MASS TRANSIT FUND

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL**  
**(NON-GAAP, MODIFIED ACCRUAL BASIS)**

**For the Year Ended June 30, 1998**  
**With Comparative Actual Amounts for Year Ended June 30, 1997**

|   | <b>1998</b>         |                     |   | <b>1997</b>         |
|---|---------------------|---------------------|---|---------------------|
|   | <b>Actual</b>       | <b>Budget</b>       | <b>Actual<br/>Over (Under)<br/>Budget</b> | <b>Actual</b>       |
| OPERATING REVENUES:   |                     |                     |   |                     |
| Charges for services  | \$ 73,038           | \$ 90,000           | \$ (16,962)                               | \$ 80,388           |
| OPERATING EXPENSES OTHER THAN DEPRECIATION:                 |                     |                     |   |                     |
| Management and administration                               | \$ 101,754          | \$ 105,221          | \$ (3,467)                                | \$ 100,219          |
| Mass transit operations                                     | <u>318,126</u>      | <u>321,941</u>      | <u>(3,815)</u>                            | <u>322,564</u>      |
| Total operating expenses other than depreciation            | <u>\$ 419,880</u>   | <u>\$ 427,162</u>   | <u>\$ (7,282)</u>                         | <u>\$ 422,783</u>   |
| NONOPERATING REVENUES (EXPENSES):                           |                     |                     |   |                     |
| Intergovernmental   | \$ 182,527          | \$ 202,491          | \$ (19,964)                               | \$ 211,613          |
| Miscellaneous revenues                                      | <u>16,510</u>       | <u>6,000</u>        | <u>10,510</u>                             | <u>11,900</u>       |
| Total nonoperating revenues                                 | <u>\$ 199,037</u>   | <u>\$ 208,491</u>   | <u>\$ (9,454)</u>                         | <u>\$ 223,513</u>   |
| Loss from operations  | <u>\$ (147,805)</u> | <u>\$ (128,671)</u> | <u>\$ (19,134)</u>                        | <u>\$ (118,882)</u> |
| OTHER FINANCING SOURCES (USES):                             |                     |                     |   |                     |
| Capital outlay  | \$ (12,355)         | \$ (13,500)         | \$ 1,145                                  | \$ (148,986)        |
| Contributed capital   | 9,264               | 12,150              | (2,886)                                   | 100,998             |
| Operating transfers in:                                     |                     |                     |   |                     |
| General fund  | <u>130,021</u>      | <u>130,021</u>      | <u>-</u>                                  | <u>128,671</u>      |
| Total other financing sources (uses)                        | <u>\$ 126,930</u>   | <u>\$ 128,671</u>   | <u>\$ (1,741)</u>                         | <u>\$ 80,683</u>    |
| EXCESS OF EXPENSES OVER REVENUES                            | <u>\$ (20,875)</u>  | <u>\$ -</u>         | <u>\$ (20,875)</u>                        | <u>\$ (38,199)</u>  |
| RECONCILIATION OF MODIFIED ACCRUAL BASIS WITH FULL ACCRUAL: |                     |                     |   |                     |
| Excess of expenses over revenues, above                     | \$ (20,875)         |                     |   |                     |
| Depreciation  | (54,119)            |                     |   |                     |
| Capital outlay  | 12,355              |                     |   |                     |
| Contributed capital   | (9,264)             |                     |   |                     |
| Inventories   | (3,036)             |                     |   |                     |
| Vacation pay  | <u>248</u>          |                     |   |                     |
| NET LOSS  | <u>\$ (74,691)</u>  |                     |   |                     |

## CITY OF SALISBURY, NORTH CAROLINA

## MASS TRANSIT FUND

## COMPARATIVE STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 1998 and 1997

|   | <u>1998</u>         | <u>1997</u>         |
|---|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES  |                     |                     |
| Operating (loss)  | \$ (403,749)        | \$ (433,344)        |
| Adjustments to reconcile operating (loss)<br>to net cash (used for) operating activities: |                     |                     |
| Depreciation  | 54,119              | 87,208              |
| (Gain) loss on sale of fixed assets   | -                   | -                   |
| Other receipts  | 16,510              | 11,900              |
| Change in assets and liabilities:   |                     |                     |
| (Increase) decrease in accounts and interest receivable                                   | 4,330               | (4,406)             |
| (Increase) decrease in inventory  | 3,036               | (94)                |
| (Increase) decrease in prepaid items  | (556)               | -                   |
| (Increase) decrease in due from other governments   | (98,269)            | (2,406)             |
| Increase (decrease) in accounts and interest payable and accrued liabilities              | <u>1,306</u>        | <u>6,314</u>        |
| Net cash (used for) operating activities  | \$ <u>(423,273)</u> | \$ <u>(334,828)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES                                  |                     |                     |
| Operating grants received   | \$ 182,527          | \$ 211,613          |
| Operating transfer from general fund  | <u>130,021</u>      | <u>128,671</u>      |
| Net cash provided by noncapital financing activities                                      | \$ <u>312,548</u>   | \$ <u>340,284</u>   |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES   |                     |                     |
| Capital grants received   | \$ 9,264            | \$ 100,998          |
| Acquisition of capital assets   | <u>(12,355)</u>     | <u>(148,986)</u>    |
| Net cash provided by (used for) capital and related financing activities                  | \$ <u>(3,091)</u>   | \$ <u>(47,988)</u>  |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS                                      | \$ (113,816)        | \$ (42,532)         |
| CASH AND CASH EQUIVALENTS, BEGINNING  | <u>125,063</u>      | <u>167,595</u>      |
| CASH AND CASH EQUIVALENTS, ENDING   | <u>\$ 11,247</u>    | <u>\$ 125,063</u>   |

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# Internal Service Funds

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Internal Service Funds are used for allocating the cost of providing certain central services among the different funds.

**Workers' Compensation Fund** - to account for monies provided by the City and interest earnings to provide the City's reserve for Workers' Compensation.

**Employee Health Care Fund** - to account for monies withheld from employees' wages and charges to the City to fund the City's health insurance plan.

## CITY OF SALISBURY, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

## COMBINING BALANCE SHEET

June 30, 1998

With Comparative Totals at June 30, 1997

|  |                     |                    | <u>Totals</u>     |                   |
|--|---------------------|--------------------|-------------------|-------------------|
|  | <b>Workers'</b>     | <b>Employee</b>    |                   |                   |
| <u>ASSETS</u>                            | <u>Compensation</u> | <u>Health Care</u> | <u>1998</u>       | <u>1997</u>       |
| CURRENT ASSETS                           |                     |                    |                   |                   |
| Cash and investments                     | \$ 170,304          | \$ 296,764         | \$ 467,068        | \$ 674,929        |
| Interest receivable                      | <u>508</u>          | <u>641</u>         | <u>1,149</u>      | <u>7,401</u>      |
| Total assets                             | <u>\$ 170,812</u>   | <u>\$ 297,405</u>  | <u>\$ 468,217</u> | <u>\$ 682,330</u> |
| <u>LIABILITIES AND FUND EQUITY</u>       |                     |                    |                   |                   |
| CURRENT LIABILITIES                      |                     |                    |                   |                   |
| Accounts payable and accrued liabilities | \$ 3,342            | \$ 261,614         | \$ 264,956        | \$ 250,302        |
| FUND EQUITY                              |                     |                    |                   |                   |
| Retained earnings                        | <u>167,470</u>      | <u>35,791</u>      | <u>203,261</u>    | <u>432,028</u>    |
| Total liabilities and fund equity        | <u>\$ 170,812</u>   | <u>\$ 297,405</u>  | <u>\$ 468,217</u> | <u>\$ 682,330</u> |

## CITY OF SALISBURY, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGS

For the Year Ended June 30, 1998  
With Comparative Totals For The Year Ended June 30, 1997

|                                |                     |                    | <u>Totals</u>     |                   |
|--------------------------------|---------------------|--------------------|-------------------|-------------------|
|                                | <u>Workers'</u>     | <u>Employee</u>    | <u>1998</u>       | <u>1997</u>       |
|                                | <u>Compensation</u> | <u>Health Care</u> |                   |                   |
| OPERATING REVENUES:            |                     |                    |                   |                   |
| Charges for services           | \$ -                | \$ 1,582,554       | \$ 1,582,554      | \$ 1,571,010      |
| OPERATING EXPENSES:            |                     |                    |                   |                   |
| Employee benefits              | <u>115,714</u>      | <u>1,716,954</u>   | <u>1,832,668</u>  | <u>1,617,245</u>  |
| OPERATING INCOME (LOSS)        | \$ (115,714)        | \$ (134,400)       | \$ (250,114)      | \$ (46,235)       |
| NONOPERATING REVENUES          |                     |                    |                   |                   |
| Interest earned on investments | <u>9,554</u>        | <u>11,793</u>      | <u>21,347</u>     | <u>25,498</u>     |
| NET INCOME (LOSS)              | \$ (106,160)        | \$ (122,607)       | \$ (228,767)      | \$ (20,737)       |
| RETAINED EARNINGS, BEGINNING   | <u>273,630</u>      | <u>158,398</u>     | <u>432,028</u>    | <u>452,765</u>    |
| RETAINED EARNINGS, ENDING      | <u>\$ 167,470</u>   | <u>\$ 35,791</u>   | <u>\$ 203,261</u> | <u>\$ 432,028</u> |

## CITY OF SALISBURY, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

## COMBINING STATEMENT OF CASH FLOWS

For the Year Ended June 30, 1998  
With Comparative Totals for the Year Ended June 30, 1997

|   | <u>Workers'</u>          | <u>Employee</u>          | <u>Totals</u>            |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
|   | <u>Compensation</u>      | <u>Health Care</u>       | <u>1998</u>              | <u>1997</u>              |
| CASH FLOWS FROM OPERATING ACTIVITIES                    |                          |                          |                          |                          |
| Operating income (loss)                                 | \$ (115,714)             | \$ (134,400)             | \$ (250,114)             | \$ (46,235)              |
| Change in assets and liabilities:                       |                          |                          |                          |                          |
| (Increase) decrease in interest receivable              | 3,173                    | 3,079                    | 6,252                    | (5,430)                  |
| Increase (decrease) in accounts payable                 | <u>(7,417)</u>           | <u>22,071</u>            | <u>14,654</u>            | <u>(14,848)</u>          |
| Net cash provided by (used for)<br>operating activities | <u>\$ (119,958)</u>      | <u>\$ (109,250)</u>      | <u>\$ (229,208)</u>      | <u>\$ (66,513)</u>       |
| CASH FLOWS FROM INVESTING ACTIVITIES                    |                          |                          |                          |                          |
| Interest received on investment securities              | <u>\$ 9,554</u>          | <u>\$ 11,793</u>         | <u>\$ 21,347</u>         | <u>\$ 25,498</u>         |
| NET INCREASE (DECREASE) IN CASH<br>AND CASH EQUIVALENTS | \$ (110,404)             | \$ (97,457)              | \$ (207,861)             | \$ (41,015)              |
| CASH AND CASH EQUIVALENTS, BEGINNING                    | <u>280,708</u>           | <u>394,221</u>           | <u>674,929</u>           | <u>715,944</u>           |
| CASH AND CASH EQUIVALENTS, ENDING                       | <u><u>\$ 170,304</u></u> | <u><u>\$ 296,764</u></u> | <u><u>\$ 467,068</u></u> | <u><u>\$ 674,929</u></u> |

**CITY OF SALISBURY, NORTH CAROLINA**  
**WORKERS' COMPENSATION INTERNAL SERVICE FUND**  
**COMPARATIVE BALANCE SHEETS**

**June 30, 1998 and 1997**

| <u>ASSETS</u>                            | <u>1998</u>       | <u>1997</u>       |
|--|-------------------|-------------------|
| CURRENT ASSETS                           |                   |                   |
| Cash and investments                     | \$ 170,304        | \$ 280,708        |
| Interest receivable                      | <u>508</u>        | <u>3,681</u>      |
| Total assets                             | <u>\$ 170,812</u> | <u>\$ 284,389</u> |
| <br><u>LIABILITIES AND FUND EQUITY</u>   |                   |                   |
| CURRENT LIABILITIES                      |                   |                   |
| Accounts payable and accrued liabilities | \$ 3,342          | \$ 10,759         |
| FUND EQUITY                              |                   |                   |
| Retained earnings                        | <u>167,470</u>    | <u>273,630</u>    |
| Total liabilities and fund equity        | <u>\$ 170,812</u> | <u>\$ 284,389</u> |

**CITY OF SALISBURY, NORTH CAROLINA**  
**WORKERS' COMPENSATION INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN RETAINED EARNINGS**

**For the Year Ended June 30, 1998**  
**With Comparative Totals For The Year Ended June 30, 1997**

|                                | <u>1998</u>              | <u>1997</u>              |
|--------------------------------|--------------------------|--------------------------|
| OPERATING REVENUES:            |                          |                          |
| Charges for services           | \$ -                     | \$ -                     |
| OPERATING EXPENSES:            |                          |                          |
| Employee benefits              | <u>115,714</u>           | <u>76,116</u>            |
| OPERATING INCOME (LOSS)        | \$ (115,714)             | \$ (76,116)              |
| NONOPERATING REVENUES          |                          |                          |
| Interest earned on investments | <u>9,554</u>             | <u>15,127</u>            |
| NET INCOME (LOSS)              | \$ (106,160)             | \$ (60,989)              |
| RETAINED EARNINGS, BEGINNING   | <u>273,630</u>           | <u>334,619</u>           |
| RETAINED EARNINGS, ENDING      | <u><u>\$ 167,470</u></u> | <u><u>\$ 273,630</u></u> |

**CITY OF SALISBURY, NORTH CAROLINA**  
**WORKERS' COMPENSATION INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**

**For the Year Ended June 30, 1998**  
**With Comparative Totals for the Year Ended June 30, 1997**

|   | <u>1998</u>       | <u>1997</u>       |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES                    |                   |                   |
| Operating income (loss)                                 | \$ (115,714)      | \$ (76,116)       |
| Change in assets and liabilities:                       |                   |                   |
| (Increase) decrease in interest receivable              | 3,173             | (2,521)           |
| Increase (decrease) in accounts payable                 | <u>(7,417)</u>    | <u>(11,807)</u>   |
| Net cash provided by (used for)<br>operating activities | \$ (119,958)      | \$ (90,444)       |
| CASH FLOWS FROM INVESTING ACTIVITIES                    |                   |                   |
| Interest received on investment securities              | <u>9,554</u>      | <u>15,127</u>     |
| NET DECREASE IN CASH AND CASH EQUIVALENTS               | \$ (110,404)      | \$ (75,317)       |
| CASH AND CASH EQUIVALENTS, BEGINNING                    | <u>280,708</u>    | <u>356,025</u>    |
| CASH AND CASH EQUIVALENTS, ENDING                       | <u>\$ 170,304</u> | <u>\$ 280,708</u> |

**CITY OF SALISBURY, NORTH CAROLINA**  
**EMPLOYEE HEALTH CARE INTERNAL SERVICE FUND**  
**COMPARATIVE BALANCE SHEETS**

**June 30, 1998 and 1997**

| <u>ASSETS</u>                            | <u>1998</u>       | <u>1997</u>       |
|--|-------------------|-------------------|
| CURRENT ASSETS                           |                   |                   |
| Cash and investments                     | \$ 296,764        | \$ 394,221        |
| Interest receivable                      | <u>641</u>        | <u>3,720</u>      |
| Total assets                             | <u>\$ 297,405</u> | <u>\$ 397,941</u> |
| <br><u>LIABILITIES AND FUND EQUITY</u>   |                   |                   |
| CURRENT LIABILITIES                      |                   |                   |
| Accounts payable and accrued liabilities | \$ 261,614        | \$ 239,543        |
| FUND EQUITY                              |                   |                   |
| Retained earnings                        | <u>35,791</u>     | <u>158,398</u>    |
| Total liabilities and fund equity        | <u>\$ 297,405</u> | <u>\$ 397,941</u> |

**CITY OF SALISBURY, NORTH CAROLINA**  
**EMPLOYEE HEALTH CARE INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN RETAINED EARNINGS**

**For the Year Ended June 30, 1998**  
**With Comparative Totals For The Year Ended June 30, 1997**

|                                | <u>1998</u>      | <u>1997</u>       |
|--------------------------------|------------------|-------------------|
| OPERATING REVENUES:            |                  |                   |
| Charges for services           | \$ 1,582,554     | \$ 1,571,010      |
| OPERATING EXPENSES:            |                  |                   |
| Employee benefits              | <u>1,716,954</u> | <u>1,541,129</u>  |
| OPERATING INCOME (LOSS)        | \$ (134,400)     | \$ 29,881         |
| NONOPERATING REVENUES          |                  |                   |
| Interest earned on investments | <u>11,793</u>    | <u>10,371</u>     |
| NET INCOME (LOSS)              | \$ (122,607)     | \$ 40,252         |
| RETAINED EARNINGS, BEGINNING   | <u>158,398</u>   | <u>118,146</u>    |
| RETAINED EARNINGS, ENDING      | <u>\$ 35,791</u> | <u>\$ 158,398</u> |

**CITY OF SALISBURY, NORTH CAROLINA**  
**EMPLOYEE HEALTH CARE INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**

**For the Year Ended June 30, 1998**  
**With Comparative Totals for the Year Ended June 30, 1997**

|  | <u>1998</u>       | <u>1997</u>       |
|--|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES                 |                   |                   |
| Operating income (loss)                              | \$ (134,400)      | \$ 29,881         |
| Change in assets and liabilities:                    |                   |                   |
| (Increase) decrease in interest receivable           | 3,079             | (2,909)           |
| Increase (decrease) in accounts payable              | <u>22,071</u>     | <u>(3,041)</u>    |
| Net cash provided by (used for)                      |                   |                   |
| operating activities                                 | \$ (109,250)      | \$ 23,931         |
| CASH FLOWS FROM INVESTING ACTIVITIES                 |                   |                   |
| Interest received on investment securities           | <u>11,793</u>     | <u>10,371</u>     |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | \$ (97,457)       | \$ 34,302         |
| CASH AND CASH EQUIVALENTS, BEGINNING                 | <u>394,221</u>    | <u>359,919</u>    |
| CASH AND CASH EQUIVALENTS, ENDING                    | <u>\$ 296,764</u> | <u>\$ 394,221</u> |



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# Trust and Agency Funds

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Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds.

#### PENSION TRUST FUND

**Law Enforcement Officers' Special Separation Allowance Fund** - to account for the accumulation of resources for pension benefit payments to qualified law enforcement officers.

#### AGENCY FUNDS

**Boards and Commissions** - to account for monies raised by the boards and commissions of the City from private sources to fund their projects.

**Municipal Service District Fund** - to account for tax receipts of the Municipal Service District which the City receives from the County and remits to the Downtown Salisbury, Inc.



**G-1**

**CITY OF SALISBURY, NORTH CAROLINA**

**TRUST AND AGENCY FUNDS**

**COMBINING BALANCE SHEET**

**June 30, 1998**

**With Comparative Totals at June 30, 1997**

|  | <u>Pension Trust</u> | <u>Agency</u>      |                         |
|--|----------------------|--------------------|-------------------------|
|  | <u>Law Officers'</u> | <u>Boards and</u>  | <u>Municipal</u>        |
| <u>ASSETS</u>                                      | <u>Seperation</u>    | <u>Commissions</u> | <u>Service District</u> |
|  | <u>Allowance</u>     |                    |                         |
| Cash and investments                               | \$ 202,831           | \$ 47,603          | \$ 214                  |
| Taxes receivable (net allowance for uncollectible) | -                    | -                  | 3,522                   |
| Interest receivable                                | <u>584</u>           | <u>-</u>           | <u>5</u>                |
| Total assets                                       | <u>\$ 203,415</u>    | <u>\$ 47,603</u>   | <u>\$ 3,741</u>         |
| <u>LIABILITIES AND FUND EQUITY</u>                 |                      |                    |                         |
| LIABILITIES  |                      |                    |                         |
| Accounts payable and accrued liabilities           | <u>\$ -</u>          | <u>\$ 47,603</u>   | <u>\$ 3,741</u>         |
| FUND EQUITY  |                      |                    |                         |
| Fund Balances:                                     |                      |                    |                         |
| Reserved by State statute                          | \$ 584               | \$ -               | \$ -                    |
| Reserved for employees' pension benefits           | <u>202,831</u>       | <u>-</u>           | <u>-</u>                |
| Total fund equity                                  | <u>\$ 203,415</u>    | <u>\$ -</u>        | <u>\$ -</u>             |
| Total liabilities and fund equity                  | <u>\$ 203,415</u>    | <u>\$ 47,603</u>   | <u>\$ 3,741</u>         |

| <b>Totals</b>     |                   |
|-------------------|-------------------|
| <b>1998</b>       | <b>1997</b>       |
| \$ 250,648        | \$ 208,838        |
| 3,522             | 2,056             |
| <u>589</u>        | <u>2,289</u>      |
| <u>\$ 254,759</u> | <u>\$ 213,183</u> |
| <br>              |                   |
| \$ 51,344         | \$ 48,728         |
| <br>              |                   |
| \$ 584            | \$ 2,054          |
| <u>202,831</u>    | <u>162,401</u>    |
| <u>\$ 203,415</u> | <u>\$ 164,455</u> |
| <br>              |                   |
| <u>\$ 254,759</u> | <u>\$ 213,183</u> |

## CITY OF SALISBURY, NORTH CAROLINA

PENSION TRUST FUND  
LAW OFFICERS' SEPARATION ALLOWANCE FUND

## COMPARATIVE BALANCE SHEETS

June 30, 1998 and 1997

| <u>ASSETS</u>                            | <u>1998</u>       | <u>1997</u>       |
|--|-------------------|-------------------|
| Cash and investments                     | \$ 202,831        | \$ 162,401        |
| Interest receivable                      | <u>584</u>        | <u>2,054</u>      |
| Total assets                             | <u>\$ 203,415</u> | <u>\$ 164,455</u> |
| <u>FUND EQUITY</u>                       |                   |                   |
| FUND EQUITY                              |                   |                   |
| Fund balances:                           |                   |                   |
| Reserved by State statute                | \$ 584            | \$ 2,054          |
| Reserved for employees' pension benefits | <u>202,831</u>    | <u>162,401</u>    |
| Total fund equity                        | <u>\$ 203,415</u> | <u>\$ 164,455</u> |

## G-3

## CITY OF SALISBURY, NORTH CAROLINA

## AGENCY FUNDS

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Year Ended June 30, 1998

|   | Balance<br>July 1, 1997 | Additions | Deductions | Balance<br>June 30, 1998 |
|---|-------------------------|-----------|------------|--------------------------|
| <u>BOARDS AND COMMISSIONS FUND:</u>                   |                         |           |            |                          |
| ASSETS  |                         |           |            |                          |
| Cash and investments                                  | \$ 44,695               | \$ 2,908  | \$ -       | \$ 47,603                |
| LIABILITIES   |                         |           |            |                          |
| Accounts payable                                      | \$ 44,695               | \$ 2,908  | \$ -       | \$ 47,603                |
| <u>MUNICIPAL SERVICE DISTRICT FUND:</u>               |                         |           |            |                          |
| ASSETS  |                         |           |            |                          |
| Cash and investments                                  | \$ 1,742                | \$ -      | \$ 1,528   | \$ 214                   |
| Taxes receivable (net of allowance for uncollectible) | 2,056                   | 1,466     | -          | 3,522                    |
| Interest receivable                                   | 235                     | -         | 230        | 5                        |
| Total assets  | \$ 4,033                | \$ 1,466  | \$ 1,758   | \$ 3,741                 |
| LIABILITIES   |                         |           |            |                          |
| Accounts payable                                      | \$ 4,033                | \$ -      | \$ 292     | \$ 3,741                 |
| <u>TOTAL AGENCY FUNDS:</u>                            |                         |           |            |                          |
| ASSETS  |                         |           |            |                          |
| Cash and investments                                  | \$ 46,437               | \$ 2,908  | \$ 1,528   | \$ 47,817                |
| Taxes receivable (net of allowance for uncollectible) | 2,056                   | 1,466     | -          | 3,522                    |
| Interest receivable                                   | 235                     | -         | 230        | 5                        |
| Total assets  | \$ 48,728               | \$ 4,374  | \$ 1,758   | \$ 51,344                |
| LIABILITIES   |                         |           |            |                          |
| Accounts payable                                      | \$ 48,728               | \$ 2,908  | \$ 292     | \$ 51,344                |



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## General Fixed Asset Account Group

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To account for fixed assets not used in proprietary fund operations or accounted for in Trust Funds.

**H-1****CITY OF SALISBURY, NORTH CAROLINA****SCHEDULE OF GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY****June 30, 1998**

|   | <b>Land</b>         | <b>Buildings and<br/>Improvements</b> | <b>Equipment</b>     | <b>Total</b>         |
|---|---------------------|---------------------------------------|----------------------|----------------------|
| <b>GENERAL GOVERNMENT:</b>              |                     |                                       |                      |                      |
| City Administration                     | \$ -                | \$ 801,022                            | \$ 32,398            | \$ 833,420           |
| Human Resources                         | -                   | -                                     | 62,255               | 62,255               |
| Information Technologies                | -                   | -                                     | 446,223              | 446,223              |
| Finance                                 | -                   | -                                     | 72,636               | 72,636               |
| Purchasing                              | -                   | 16,825                                | 33,143               | 49,968               |
| City Hall                               | 106,671             | 1,112,076                             | 70,270               | 1,289,017            |
| Telecommunications                      | 24,820              | 62,053                                | 1,360,913            | 1,447,786            |
| Public Services Administration          | -                   | 10,259                                | 5,517                | 15,776               |
| Fleet Management                        | 889                 | 44,912                                | 202,012              | 247,813              |
|   | <u>\$ 132,380</u>   | <u>\$ 2,047,147</u>                   | <u>\$ 2,285,367</u>  | <u>\$ 4,464,894</u>  |
| <b>PUBLIC SAFETY:</b>                   |                     |                                       |                      |                      |
| Police                                  | \$ -                | \$ 272,835                            | \$ 2,505,696         | \$ 2,778,531         |
| Fire                                    | -                   | 373,129                               | 2,209,924            | 2,583,053            |
|   | <u>\$ -</u>         | <u>\$ 645,964</u>                     | <u>\$ 4,715,620</u>  | <u>\$ 5,361,584</u>  |
| <b>TRANSPORTATION:</b>                  |                     |                                       |                      |                      |
| Traffic Engineering                     | \$ -                | \$ 45,895                             | \$ 534,508           | \$ 580,403           |
| Engineering                             | -                   | 66,774                                | 666,266              | 733,040              |
| Streets                                 | -                   | 179,489                               | 1,626,496            | 1,805,985            |
|   | <u>\$ -</u>         | <u>\$ 292,158</u>                     | <u>\$ 2,827,270</u>  | <u>\$ 3,119,428</u>  |
| <b>ENVIRONMENTAL PROTECTION:</b>        |                     |                                       |                      |                      |
| Cemetery                                | \$ -                | \$ 12,262                             | \$ 147,631           | \$ 159,893           |
| Solid Waste Management                  | -                   | -                                     | 1,014,986            | 1,014,986            |
|   | <u>\$ -</u>         | <u>\$ 12,262</u>                      | <u>\$ 1,162,617</u>  | <u>\$ 1,174,879</u>  |
| <b>CULTURE AND RECREATION:</b>          |                     |                                       |                      |                      |
| Landscaping                             | \$ 164,546          | \$ 31,061                             | \$ 526,743           | \$ 722,350           |
| Recreation                              | 77,311              | 2,266,864                             | 371,397              | 2,715,572            |
|   | <u>\$ 241,857</u>   | <u>\$ 2,297,925</u>                   | <u>\$ 898,140</u>    | <u>\$ 3,437,922</u>  |
| <b>LAND MANAGEMENT AND DEVELOPMENT:</b> |                     |                                       |                      |                      |
| Development Services                    | \$ -                | \$ -                                  | \$ 7,273             | \$ 7,273             |
| Community Development                   | 976,756             | 283,162                               | 91,756               | 1,351,674            |
| The Plaza                               | -                   | 3,239,838                             | 78,684               | 3,318,522            |
|   | <u>\$ 976,756</u>   | <u>\$ 3,523,000</u>                   | <u>\$ 177,713</u>    | <u>\$ 4,677,469</u>  |
| <b>TOTAL GENERAL FIXED ASSETS</b>       | <u>\$ 1,350,993</u> | <u>\$ 8,818,456</u>                   | <u>\$ 12,066,727</u> | <u>\$ 22,236,176</u> |



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## Other Schedules

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## CITY OF SALISBURY, NORTH CAROLINA

GENERAL FUND  
PROPERTY TAXES RECEIVABLE

For the Year Ended June 30, 1998

| Tax Year | Fiscal<br>Year Ended<br>June 30 | Assessed<br>Valuation * | Taxes Levied<br>Prior to<br>June 30, 1997 | Levy<br>Additions<br>Year Ended<br>June 30, 1998 | Collections<br>and Credits<br>Prior to<br>June 30, 1997 | Taxes<br>Receivable<br>June 30, 1997 | Collections<br>and Credits<br>Year Ended<br>June 30, 1998 | (Note) Other<br>Credits | Taxes<br>Receivable<br>June 30, 1998 |
|----------|---------------------------------|-------------------------|---|--|---|--------------------------------------|---|-------------------------|--------------------------------------|
| 1997     | 1998                            | \$ 1,382,140,359        |   | \$ 8,059,604                                     | \$ -  | \$ -                                 | \$ 7,815,549  | \$ -                    | \$ 244,055                           |
| 1996     | 1997                            | 1,318,874,568           | 7,797,861                                 | 27,804   | 7,519,419   | 278,442                              | 226,260   | -                       | 79,986                               |
| 1995     | 1996                            | 1,280,584,979           | 7,529,260                                 |  | 7,427,857   | 101,403                              | 42,712  | -                       | 58,691                               |
| 1994     | 1995                            | 1,146,945,499           | 7,298,360                                 |  | 7,234,469   | 63,891                               | 13,631  | -                       | 50,260                               |
| 1993     | 1994                            | 1,151,692,595           | 6,785,288                                 |  | 6,758,920   | 26,368                               | 3,734   | -                       | 22,634                               |
| 1992     | 1993                            | 1,106,253,503           | 6,436,232                                 |  | 6,413,311   | 22,921                               | 2,822   | -                       | 20,099                               |
| 1991     | 1992                            | 1,084,365,929           | 6,054,055                                 |  | 6,027,045   | 27,010                               | 3,100   | -                       | 23,910                               |
| 1990     | 1991                            | 1,038,891,140           | 5,528,123                                 |  | 5,504,713   | 23,410                               | 1,240   | -                       | 22,170                               |
| 1989     | 1990                            | 804,993,392             | 4,803,630                                 |  | 4,783,492   | 20,138                               | 437   | -                       | 19,701                               |
| 1988     | 1989                            | 779,948,519             | 4,961,612                                 |  | 4,945,490   | 16,122                               | 329   | -                       | 15,793                               |
| 1987     | 1988                            | 878,767,664             | 5,765,591                                 | -  | 5,743,857   | 21,734                               | 195   | 21,539                  | -                                    |
|          |                                 |                         | <u>\$ 62,960,012</u>                      | <u>\$ 8,087,408</u>                              | <u>\$ 62,358,573</u>                                    | <u>\$ 601,439</u>                    | <u>\$ 8,110,009</u>                                       | <u>\$ 21,539</u>        | <u>\$ 557,299</u>                    |

\* All taxable property is assessed at one hundred percent (100%) of its estimated value at the time of revaluation.

Note: Ten year statute of limitations write-off.

## CITY OF SALISBURY, NORTH CAROLINA

## ANALYSIS OF CURRENT TAX LEVY

For the Year Ended June 30, 1998

|                                       |                      |                         | <u>Total Levy</u>   |  |
|---------------------------------------|----------------------|-------------------------|---|--|
|                                       |                      |                         | <u>Property<br/>Excluding<br/>Registered<br/>Motor<br/>Vehicles</u> | <u>Registered<br/>Motor<br/>Vehicles</u> |
| <u>Tax Rate per \$100</u>             |                      |                         |   |  |
|                                       | <u>73.5¢</u>         | <u>57.5¢</u>            | <u>Total</u>  |  |
| PERSONAL VALUATION                    |                      |                         |   |  |
| Personal property                     | \$ 9,677,017         | \$ 347,395,071          | \$ 357,072,088  |  |
| Real property                         | 30,548,608           | 936,694,347             | 967,242,955   |  |
| Public service property               | <u>1,110,435</u>     | <u>56,714,881</u>       | <u>57,825,316</u>   |  |
| TOTAL PROPERTY VALUATION              | <u>\$ 41,336,060</u> | <u>\$ 1,340,804,299</u> | <u>\$ 1,382,140,359</u>   |  |
| TAX LEVY                              | <u>\$ 303,820</u>    | <u>\$ 7,709,625</u>     | \$ 8,013,445  | \$ 7,230,461 \$ 782,984                  |
| DISCOVERY                             |                      |                         |   |  |
| Prior years taxes                     |                      |                         | 36,240  | 36,240                                   |
| Penalties                             |                      |                         | <u>9,919</u>  | <u>9,919</u> -                           |
| TOTAL TAX LEVY                        |                      |                         | \$ 8,059,604  | \$ 7,276,620 \$ 782,984                  |
| Less uncollected tax at June 30, 1998 |                      |                         | <u>244,055</u>  | <u>124,644</u> <u>119,411</u>            |
| CURRENT YEAR'S TAXES COLLECTED        |                      |                         | <u>\$ 7,815,549</u>   | <u>\$ 7,151,976</u> <u>\$ 663,573</u>    |
| PERCENT OF CURRENT YEAR COLLECTED     |                      |                         | <u>96.97%</u>   | <u>98.29%</u> <u>84.75%</u>              |
| DISTRIBUTION OF LEVY                  |                      |                         |   |  |
| General Fund                          |                      |                         | \$ 7,993,286  |  |
| Municipal Service District Fund       |                      |                         | <u>66,318</u>   |  |
| Total                                 |                      |                         | <u>\$ 8,059,604</u>   |  |

## CITY OF SALISBURY, NORTH CAROLINA

## SCHEDULE OF CASH AND INVESTMENT BALANCES

June 30, 1998

## CASH AND INVESTMENTS IN THE FORM OF:

## Cash:

|                        |                  |              |
|------------------------|------------------|--------------|
| Cash on hand           | \$ 2,257         |              |
| In demand deposits     | 2,163,094        |              |
| Certificate of deposit | <u>1,100,000</u> |              |
|                        |                  | \$ 3,265,351 |

## Investments:

|   |                  |                   |
|---|------------------|-------------------|
| North Carolina Capital Management Trust | \$ 17,392,778    |                   |
| Federal Farm Credit Bank                | 500,000          |                   |
| Commercial paper                        | <u>3,889,849</u> |                   |
|   |                  | <u>21,782,627</u> |

## TOTAL CASH AND INVESTMENTS

\$ 25,047,978

## DISTRIBUTION BY FUNDS:

|                  |                |
|------------------|----------------|
| General          | \$ 4,980,057   |
| Special revenue  | 186,655        |
| Capital projects | 1,677,363      |
| Enterprise       | 17,486,187     |
| Internal service | 467,068        |
| Trust and agency | <u>250,648</u> |

## TOTAL DISTRIBUTION BY FUNDS

\$ 25,047,978

## CITY OF SALISBURY, NORTH CAROLINA

## SCHEDULE OF INTERFUND TRANSFERS

For the Year Ended June 30, 1998

| <u>Fund</u> | <u>Transfers</u>  |                   |
|-------------|-------------------|-------------------|
|             | <u>From</u>       | <u>To</u>         |
| General:    |                   |                   |
| Enterprise  | \$ -              | \$ 130,021        |
| Enterprise: |                   |                   |
| General     | <u>130,021</u>    | <u>-</u>          |
|             | <u>\$ 130,021</u> | <u>\$ 130,021</u> |